

110TH CONGRESS
1ST SESSION

S. 1851

To amend the Internal Revenue Code of 1986 to allow personal exemptions under the individual alternative minimum tax, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 23, 2007

Mr. SESSIONS (for himself and Mr. BUNNING) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow personal exemptions under the individual alternative minimum tax, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Saving Families First
5 Alternative Minimum Tax Relief Act of 2007”.

6 **SEC. 2. ALLOWANCE OF DEDUCTION FOR PERSONAL EX-**
7 **EMPTIONS AGAINST INDIVIDUAL ALTER-**
8 **NATIVE MINIMUM TAX.**

9 (a) IN GENERAL.—Section 56(b)(1)(E) of the Inter-
10 nal Revenue Code of 1986 (relating to standard deduction

1 and deduction for personal exemptions) is amended by
 2 striking “, the deduction for personal exemptions under
 3 section 151, and the deduction under section 642(b)”.

4 (b) CLERICAL AMENDMENT.—The heading for sec-
 5 tion 56(b)(1)(E) is amended by striking “AND DEDUCTION
 6 FOR PERSONAL EXEMPTIONS”.

7 (c) EFFECTIVE DATE.—The amendments made by
 8 this section shall apply to taxable years beginning after
 9 December 31, 2006.

10 **SEC. 3. ADJUSTMENT FOR INFLATION OF INDIVIDUAL AL-**
 11 **TERNATIVE MINIMUM TAX EXEMPTION**
 12 **AMOUNT.**

13 Section 55(d) of the Internal Revenue Code of 1986
 14 (relating to exemption amount) is amended by adding at
 15 the end the following new paragraph:

16 “(4) ADJUSTMENTS FOR INFLATION.—In the
 17 case of a taxable year beginning after December 31,
 18 2007, each of the dollar amounts in paragraphs (1)
 19 and (3) shall be increased by an amount equal to—

20 “(A) such dollar amount, multiplied by

21 “(B) the cost-of-living adjustment deter-
 22 mined under section (1)(f)(3) for the calendar
 23 year in which the taxable year begins, deter-
 24 mined by substituting ‘calendar year 2006’ for

1 ‘calendar year 1992’ in subparagraph (B)
2 thereof.

3 If any amount as adjusted under the preceding sen-
4 tence is not a multiple of \$10, such amount shall be
5 rounded to the nearest multiple of \$10.”.

○